

**MANSURA VOLUNTEER  
FIRE DEPARTMENT, INC.**

Financial Report

For the Year Ended June 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

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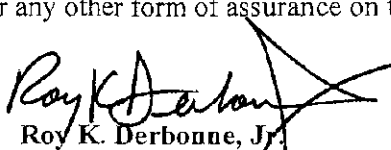
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## ACCOUNTANT'S REPORT

To the Board of Directors  
Mansura Volunteer Fire Department, Inc.  
Mansura, Louisiana

I have compiled the accompanying statement of financial position of Mansura Volunteer Fire Department, Inc. (a nonprofit organization), as of June 30, 2008, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

  
Roy K. Derbonne, Jr.  
Certified Public Accountant

Alexandria, Louisiana  
September 5, 2008

## FINANCIAL STATEMENTS

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Statement of Financial Position  
(Unaudited)  
June 30, 2008

ASSETS

Current assets:	
Cash and cash equivalents	\$ 73,580
Accounts receivable	<u>32,966</u>
Total current assets	<u>106,546</u>
 Fixed assets:	
Building and improvements	133,237
Equipment	544,159
Trucks	<u>740,307</u>
Total fixed assets	1,417,703
Less: accumulated depreciation	<u>(683,540)</u>
Net fixed assets	<u>734,163</u>
 Total assets	 <u>\$ 840,709</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Current maturities of long-term debt	\$ 15,194
Accounts payable	5,863
Accrued interest payable	<u>9,746</u>
Total Current Liabilities	30,803
 Long-term liabilities:	
Notes payable (net of current portion)	<u>194,370</u>
Total liabilities	<u>225,173</u>
 Net Assets:	
Unrestricted net assets -	
Operations	100,683
Fixed assets	<u>514,853</u>
Total unrestricted net assets	<u>615,536</u>
 Total liabilities and net assets	 <u>\$ 840,709</u>

See accountant's report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Statement of Activities  
(Unaudited)  
For the year ended June 30, 2008

Support and revenue:

Support

Fundraisers, net \$ 4,134

Total support 4,134

Revenue

Ad valorem taxes 57,666

Intergovernmental revenue

State 14,030

Town of Mansura 57,985

Avoyelles Parish Police Jury 13,058

Interest income 918

Miscellaneous Income 3,244

Total revenue 146,901

Total support and revenue 151,035

Expenses:

Depreciation 104,281

Training 6,381

Interest 11,532

Insurance 26,194

Office 287

Repairs 13,238

Supplies 15,108

Telephone and utilities 610

Legal & professional 850

Meeting expense 6,939

Travel 3,024

Utilities 2,890

Uniforms 2,127

Other 4,104

Total expenses 197,565

Change in net assets (46,530)

Net assets, beginning of year 662,066

Net assets, end of year \$615,536

See accountant's report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Statement of Cash Flows  
(Unaudited)  
For the year ended June 30, 2008

Cash flows provided by operating activities:	
Change in net assets	<u>\$ (46,530)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities -	
Depreciation	104,281
Decrease in accounts receivable	2,498
Increase in accounts payable	<u>2,079</u>
Total adjustments	<u>108,858</u>
Net cash provided by operating activities	<u>62,328</u>
Cash flows from investing activities:	
Purchase of equipment	<u>(244,729)</u>
Cash flows from financing activities:	
Increase in accrued interest payable	9,017
Proceeds of long-term financing	172,051
Payment of principal on notes payable	<u>(7,225)</u>
Net cash provided by financing activities	<u>173,843</u>
Net decrease in cash and cash equivalents	(8,558)
Cash and cash equivalents, beginning of year	<u>82,138</u>
Cash and cash equivalents, end of year	<u>\$ 73,580</u>

See accountant's report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

Fire Department

The Mansura Volunteer Fire Department, Inc. (Fire Department) was incorporated on September 12, 1988 as a nonprofit corporation as defined in Louisiana Revised Statutes of R. S. 1950 Title 12, Chapter 2, as amended. The Fire Department operates under a Board of Directors consisting of a president, vice-president, and secretary-treasurer. Board members are elected on an annual basis. The members of the Mansura Volunteer Fire Department vote on all matters brought before the Board. The Fire Department serves approximately 1,759 structures and meetings are held monthly. The following is a summary of certain significant accounting policies.

A. Financial Statement Presentation:

The Fire Department adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Fire Department is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

The Fire Department also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" in accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Fire Department has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety (90) days of purchase.



MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Notes to Financial Statements

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1st and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in this District. After deducting a fee of \$20,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

F. Fixed Assets

Fixed assets acquired by the Fire Department are considered to be owned by it.

The Fire Department follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Building and improvements	10 - 40 years
Furniture and equipment	5 - 25 years
Vehicles	5 - 20 years

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Notes to Financial Statements

(2) Deposits and Investments

Deposits

At year-end, the carrying amount of the Fire Department's deposits was \$ 73,580 and the bank balance was \$ 73,580. Of the bank balance, \$ 73,580 was covered by federal depository insurance. Of this amount, \$ 20,073 was tax monies, which is required to be expended on fire equipment and supplies.

Certificates of Deposit

The Corporation had no Certificates of Deposit at June 30, 2008.

(3) Accounts Receivable

The Billed receivable balance at June 30, 2008 of \$ 32,966 consisted of property taxes due from the Fire Protection District No. 2 in the amount of \$32,666 and \$300 due from the Avoyelles Parish Police Jury.

(4) Fixed Assets

A summary of changes in Property, Plant and Equipment are as follows:

	Balance 12/31/2007	Additions	Deletions	Balance 6/30/2008
Land and buildings	\$ 133,237	\$ -	\$ -	\$ 133,237
Equipment	484,798	59,361	-	544,159
Trucks	554,939	185,368	-	740,307
	<u>\$ 1,172,974</u>	<u>\$ 244,729</u>	<u>\$ -</u>	<u>\$ 1,417,703</u>

(5) Changes in Long-term Debt

The following is a summary of note transactions of the Fire Department for the year ended June 30, 2008:

Notes payable at 12/31/07	\$ 44,738
Debt issued	172,051
Principal payments	(7,225)
Notes payable at 6/30/08	<u>\$ 209,564</u>

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Notes to Financial Statements

Notes payable (current and long-term portions) are financed with Farmers Home Administration, Natchitoches, Louisiana.

Notes payable at June 30, 2008 consist of the following individual liabilities:

<u>Farmers Home Administration</u> - \$35,000 note dated May 17, 2001 due in annual installments of \$4,533; interest at 5.0% per annum; maturity in 2011; secured by fire truck.	\$ 25,234
<u>Farmers Home Administration</u> - \$65,000 note dated September 30, 1991 due in annual installments of \$5,207; interest at 6.25 per annum; maturity in 2015; secured by fire station building	12,279
<u>Government Capital Organization</u> - \$172,051 note dated July 1, 2007 due in annual installments of \$16876; interest at 5.2 per annum; maturity in 2022; secured by pumper tanker truck	<u>172,051</u>
	<u><u>\$209,564</u></u>

The annual requirements to amortize all notes outstanding at June 30, 2008 are as follow:

<u>Period Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 15,194	\$ 11,423	\$ 26,617
2010	16,302	10,314	26,616
2011	16,894	26,126	43,020
2012	13,562	9,434	22,996
2013	14,314	7,769	22,083
2014-2018	60,639	28,251	88,890
2019-2022	72,662	11,717	84,379
	<u><u>\$ 209,567</u></u>	<u><u>\$ 105,034</u></u>	<u><u>\$ 314,601</u></u>

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.  
Mansura, Louisiana

Notes to Financial Statements

(6) Retirement Commitments

Individuals who serve the Fire Department are volunteers; therefore, there is no liability for retirement benefits.

(7) Commitments and Contingencies

As of June 30, 2008 there were no lawsuits against the Fire Department.

(8) Federal and State Grants

The District received a forestry grant for the purchase of equipment in the amount of \$14,030. The total cost of the equipment was in excess of \$14,030.

## SUPPLEMENTAL INFORMATION

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## ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors  
Mansura Volunteer Fire Department, Inc.  
Mansura, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mansura Volunteer Fire Department, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2007 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### *Federal, State, and Local Awards*

1. Determine the amount of Federal, state and local award expenditures for the year by grant and grant year.

The Fire Department received \$3,184 of federal grant money. Expenditures made during the year for these grants were in accordance with grant requirements..

### *Meetings*

2. Examine evidence indication that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12(the open meeting law).

Management provided us with the newspaper clippings announcing the Fire Department meetings and I observed the notice posted on the fire station building.

### ***Comprehensive Budget***

3. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants that included specific goals and measures of performance.

Mansura Volunteer Fire Department, Inc. had no grants that exceeded \$5,000 for the year ended June 30, 2008.

### ***Prior Comments and Recommendations***

4. Review prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

There were no prior year comments and/or suggestions to review.

### ***Other Compliance Matters***

5. Review expenditures paid with ad valorem tax monies to determine that expenditures were spent in accordance with the tax issue approved by voters.

I reviewed all expenditures paid with tax monies and noted all expenditures were for equipment, buildings, supplies and training in accordance with the ad valorem tax issue.

I was not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

  
**Roy K. Derbonne, Jr.**  
Certified Public Accountant

Alexandria, Louisiana  
September 8, 2008